

# REORGANIZING OF TREASURY COMPLETED

By ROBERT S. THORNBURGH, International News Service Staff Correspondent.

WASHINGTON, Nov. 27 (INS).—In one week as head of the government's finances, Henry Morgenthau Jr. has effected the complete reorganization of the treasury department.

Many administrations have come and gone without disturbing the inner circle of treasury experts, who since the Taft regime have had large influence in the moulding of financial policies of the government.

Experts and the assistant secretaries, all appointees of President Roosevelt, virtually have been shelved so far as their connection with acting in an advisory capacity on policy matters is concerned.

**BAILIE CHIEF AIDE.**

Immediately on taking office as undersecretary and acting secretary of the treasury, Morgenthau named Earle Bailey, of the J. & W. Slingman Company house of New York, bond and stock brokers, as his chief aide. Bailie practically has taken over the duties ordinarily performed by the undersecretary. He has charge of fiscal matters.

With Bailie the super-treasurer inner council is composed of Herbert E. Gaston, publicity consultant, and in charge of all contracts with the public; Herman Lehman, general counsel, a newly created position, and William McReynolds in charge of personnel.

McReynolds was "loaned" to the treasury by the farm credit administration, while the other three officials, all drawing \$10,000 minus the 15 per cent. pay cut, receive compensation from a special fund appropriated in the emergency banking act of last March.

**BACK FROM SOUTH.**

Morgenthau returned to the treasury today after a three-day visit at Warm Springs, Ga., where he conferred with President Roosevelt on monetary and other fiscal policies.

The chief immediate problem facing Morgenthau on his return was the refinancing of \$727,592,500 in 3 and 4 per cent. treasury certificates maturing Dec. 15. It was anticipated that the new issues would be short term in view of the disturbance in the government bond market due to the gold program. A call may be issued for the \$1,300,000,000 outstanding first Liberty loan Dec. 15, but it is unlikely.

## Reveal Acheson As Challenger Of Gold Buying

WASHINGTON, Nov. 27 (Universal).—The hitherto undisclosed but much discussed legal opinion, in which the treasury challenged the legality of President Roosevelt's gold-buying operations has been revealed here.

The opinion attacking the legality of the plan was contained in a treasury memorandum to the president, by Dean G. Acheson, former undersecretary of the treasury, which led to his resignation and also that of Dr. O. M. W. Sprague as financial adviser to the treasury.

Acheson, as acting secretary of the treasury in the absence of Secretary Woodin, advised the President, who was embodied in a treasury memorandum to the President, and subsequently upheld by Attorney General Cummings, Acheson's view, as expressed to the President, was embodied in a treasury memorandum to the President, and dissented at every point from the Reed opinion. The legal controversy climaxed Acheson's career in the treasury.

Until noon, the opinion itself was not given out either at the White House or at the treasury.

Unlike Prof. Sprague, Acheson's objections to the gold buying plan was based upon legal grounds, rather than upon a desire to thwart the operations, although the former undersecretary was known to be a "hard money man."

The conflicting legal opinions illuminate the intra-administration dispute resulting in the treasury shakeup last week.

The crux of the legal question centers around Section 3 of the R.F.C. act. Reed, the chief counsel for the board, concluded under that section the R.F.C. was authorized to purchase \$50,000,000 in gold by exchanging short term notes for that purpose.

The substitution of Morgenthau as undersecretary of the treasury, and as acting secretary in the absence of Secretary Woodin, was taken on the ground that the President wanted to have an official in the post who was in sympathy with his program.

Morgenthau approves the gold buying and monetary program enthusiastically, unlike either Acheson or Sprague.

**Paris Reveals Secret Hitler French Group**

PARIS, Nov. 27.—Revelations of Nazi propaganda activities in the United States have given French officials occasion to make a new survey of similar activities in France, and a strange phase of German propaganda has been uncovered in the discovery of the existence of a Paris branch of a European racial alliance organized by the Hitler party.

Certain important French personalities received secret invitations to "the German racial alliance" at the Hotel Kaiserhof in Berlin. The leading German figures at the conference were Count Ernst zu Reventlow, a master-mind of German foreign policy, Dr. von Leers, of Berlin, and at least one French nobleman, Baron Luce.

# MATTY'S MEMOIRS

CHAPTER XXV.

It is funny how many random recollections of one kind and another will come into a man's mind when he begins thinking back over a long life. Since I have begun these reminiscences, I find myself recalling things I had forgotten for 40 years.

I have mentioned in an earlier chapter something about the Hughes franchises, especially concerning the subways for wires in the downtown streets.

Gene and Charlie Hughes were a smart pair of young business men who had a stone-yard over in Gifford st., where the typewriter plant is today. They got into contracting, and into Democratic politics, and made a lot of money. Gene Hughes was a great friend of Col. John F. Gaynor, of Fayetteville, who was state committeeman in the McGuire era. Hughes later got to be state committeeman, himself, and was quite a power for a time. He knew one thing that a lot of politicians did not know—that the way to make people stay with you in politics is to see that they get something out of it. And he was never afraid to go to bat for somebody who would be useful to him.



FRANK MATTY.

Gene Hughes got the idea, so far as I know, for the "triple-franchise deal" that was such a famous issue in the middle nineties, and was chiefly responsible for putting it across. He formed a little group of people with pull, which included Billy Kirk, the nominal party leader; Congressman Jim Belden; Hamilton White, one of the rich White family; Jim Gordon, who was connected with The Herald; and who was one of the finest men I ever knew and Colonel Gaynor. Sim Dunfee thought he was "in," but found out later that he was out.

These fellows got me to put through the Common Council franchises giving them the privilege of putting in an electric light system, a city-wide telephone system and a system of downtown subways. These rights were pretty valuable, of course. I knew it, at the time, but they were all good friends of mine and they were the leaders of my party. I was under obligation, politically, to every one of them, and I did what they asked. I had my "aldermanic combine" working smoothly then and had no trouble in mustering 13 votes to pass the franchises over Mayor McGuire's veto.

I have described the fight this brought on, so far as the subway phase of the deal was concerned—how Donald Dey, Daniel Rosenbloom, J. William Smith, Salem Hyde, D. M. Edwards and C. W. Snow jumped in with an offer to build the subways and give them to the city at cost, how Senator Horace White got a bill through empowering the city to build its own subways, how we killed the bill, and finally, how I put through a second subway franchise for Sim Dunfee and made the Hughes crowd buy him out. When I did that, made my choice between the Hughes crowd and Sim, and I never regretted it.

It was the immediate cause, however, of the dirtiest deal I ever got in politics, and I think some of the old-timers of today will recall it.

That fall, we were having another election of aldermen, and to get even with me for siding with Sim Dunfee, the best friend I ever had, Kirk and McGuire decided to trim me. At the beginning of the campaign, Kirk, who was chairman of the general committee called a meeting at the Yates hotel. I knew what was coming but I went, just the same. There were, as I recall it, 21 members of the committee—the official body through which we had always run party affairs. When the meeting got under way, Kirk had a resolution introduced, empowering him to name a city committee of 19 members to run the campaign and, what was more important, to name the inspectors for the ward caucuses. And when I protested against this, because I knew I wouldn't get on to represent the Third ward, he refused to listen and jammed the resolution through. And then, he appointed himself to represent the Third ward, although he never lived in it!

McGuire was there, and he grinned at me when the list was announced, although he afterward admitted to me that it was a high-handed piece of business. Everybody expected me to start something, and I didn't want to disappoint them. So I got up and gave Kirk the worst lacing he ever received from anybody, although I was very careful about what I said on the subject of franchises.

From my scrapbook, I get this account of my speech:

"Alderman Matty has made a number of speeches in the Common Council that have provoked a great deal of comment but the speech he made last evening at the meeting of the city committee was the speech of his life. He made a plea for fair election inspectors at the Third ward polls

when he and Kirk were after me, came down to the police office late one night and had Capt. Tom Quigley make a raid on the rooms above the Alderman Cafe in the Greeley block. Quigley sent a fellow over ahead of the raiders, who included Roundsman Martin Salmon and Detective Bill Dornier, but I wasn't there. The police went up to No. 5, where Chris Schneider and Frank Olive were running a poker game, and arrested a bunch of fellows. Barney Farley, Ed McLaughlin and Mickey Welch went over and bailed them out at \$50 a head. The case was dropped later when the police admitted that they "had no evidence of violation of the law."

I wonder how many Syracuseans of today remember the time McGuire was trying to hamper and harass the Rapid Transit Company to make them pay up back paving assessments—for which I, myself, later negotiated, a settlement that put \$22,000 into the treasury. At one time, I recall, the trolleys were making turns at the Fayette and Genesee st. intersections with Warren st. without any electric wires overhead. The company had put in the tracks without permission, but the city officials discovered what was going on and stopped the workmen before the wires got in. They used to rush the trolleys up to the corners at high speed and let the momentum take them around to where they could get into contact with the wires again. It was dangerous, of course, although nothing to the speed with which autos spin around corners and they had to push the cars around the corners but I finally got the feud called off, only to find the trolley company building a new noisy curve at Salina and Talmun sts., exactly in front of the house where my mother was living. Was I sore about that?

"At this point, Matty extended his hand toward McGuire and said, dramatically:

"As man to man, I know you will give me what is justly due me. You will give me my just due, despite my attitude toward you in the past. I ask for nothing from Chairman Kirk, but from you I ask for fair play. I trust you to give me fair inspectors and a fair count. Ask this as a favor, man to man. As the chief executive of the city, I ask of you. You have been against me, but you had a right to be. And I know that you will not stand for anything that is not fair."

"Chairman Kirk has been guilty of an act that is unprecedented, an act that injures our own chances for re-election, an act that no real man would stoop to. I ask for a squeeze deal from the only place I have a chance to get it—from you."

"That put McGuire on the spot, and he had to say something. From the same newspaper clipping, I quote him:

"I have no disposition to discuss at length the differences that exist in the party at the present time, but the gentleman from the Third ward asks some plain questions that I feel it my duty to answer.

"He asks me for fair play—yet, for two years, when he was the leader of the Common Council, he did not think of giving me fair play. He asks here tonight for fair play, yet his acts and those of his Common Council will be a burden to me during the campaign to come. He led the other aldermen.

"I yield to no man in my admiration of Frank Matty's ability—possibly, his genius. Had he rightly used the talents he is blessed with, he could have brought about many reforms in city affairs. But, in spite of all this, I believe he should be given a fair caucus, it should be honest. I am against Alderman Matty because he has stood between the Democratic party and the light of success. But, in any event, I assure him that he will have honest inspectors and an honest count."

And I did—and I was re-elected.

There are scores of these recollections that I could talk about at length, but which would take too long.

I remember the first time Harvey Burrill, who is now the publisher of the paper that is publishing my story, got active in the politics of the old Third ward. He was trying to elect Matt Cadin, now chief of police, as supervisor—and did it. The reason I remember him is because he tried to have my nephew, George Kappesser, barred from voting, along with several other men he claimed were illegally registered from the ward. Judge Ross, then in county court, did order a few names removed from the list, as I recall it, but he let George Kappesser vote.

I remember, too, the time that McGuire? in that same campaign

# SEVER NERVES TO SAVE PAIN

CHICAGO, Nov. 27 (INS).—The severing of nerves to relieve the tortuous pain of cancer is surgery's latest contribution to medical science.

Dr. J. F. Greenhill, in a recent address before members of the Chicago Medical Association, described a comparatively simple form of nerve surgery, whereby insurable cancer patients are saved from the pain attendant the final stages of the disease.

Doctor Greenhill and his associate, Dr. I. E. Schmidt, have performed the operation on 23 women patients at Cook County Hospital and the Lying-in Hospital. All operations, Doctor Greenhill said, were successful.

The operation, he emphasized, is not a cure for cancer. It consists of removing the nerve center which conveys sensations of pain from the diseased parts.

**Stupid Hunter Hits Deer Being Skinned**

GRAND JUNCTION, Colo., Nov. 27.—An unknown hunter shot a buck deer he didn't get. John Lockhart of Meeker, Colo., was skinning a deer he had killed when the hunter spied the animal through the brush and shot it. The bullet also passed through Lockhart's hand.

**CESSATION IN ANTI-JEWISH DRIVE IN REICH REPORTED**

PARIS, Nov. 27 (Universal).—Cessation of the anti-Semitic movement in Germany is predicted for the near future by a Berlin correspondent of "Le Capital," usually reliable organ of French business men.

Le Capital's correspondent claims to have learned from a thoroughly reliable source that "Hitler has sent of late envoys to Jewish bankers who have sought refuge abroad, to persuade them to work again for Germany."

**Internal Loan Success Shows Austrian Unity**

VIENNA, Nov. 27 (INS).—Chancellor Dollfuss regards the favorable reception of the new internal premium loan, which brought in over 250,000,000 schillings as against an estimated 100,000,000 schillings, as convincing evidence in his program, according to his spokesman, Minister Eduard Ludwig, in a recent interview.

"This not only is an extraordinary financial success," the minister said, "but also a political one, since this loan was combatted by the German and Austrian National Socialists with every device of powerful propaganda, supported by the German broadcasting stations and the press."

"The Austrian Government will continue fighting National Socialism. But it is a mistake to think that this means an opposition to the Reich as such. It involves only opposition to the idea of Prussian hegemony, to the spirit of Potsdam, which has taken possession of National Socialism and made it subservient to its purposes."

"The Dollfuss Government is fighting a movement which if successful would immediately conjure up the danger of a European war." President Roosevelt is believed here to be partly responsible for the success of the government loan.

**POLICE ARE CHALLENGED BY MARDONI, MAGICIAN**

An invitation has been issued to the chief of police or the state troopers to shackle Mardoni, a magician, at the fall festival of the Knights of Columbus Monday night. Mardoni, onetime assistant of the late Harry Houdini, promises to return the handcuffs unharmed and still locked. Madame Mardoni will also appear on the program. There will be dancing after the entertainment.

# SEVER NERVES TO SAVE PAIN

CHICAGO, Nov. 27 (INS).—The severing of nerves to relieve the tortuous pain of cancer is surgery's latest contribution to medical science.

Dr. J. F. Greenhill, in a recent address before members of the Chicago Medical Association, described a comparatively simple form of nerve surgery, whereby insurable cancer patients are saved from the pain attendant the final stages of the disease.

Doctor Greenhill and his associate, Dr. I. E. Schmidt, have performed the operation on 23 women patients at Cook County Hospital and the Lying-in Hospital. All operations, Doctor Greenhill said, were successful.

The operation, he emphasized, is not a cure for cancer. It consists of removing the nerve center which conveys sensations of pain from the diseased parts.

# Stupid Hunter Hits Deer Being Skinned

GRAND JUNCTION, Colo., Nov. 27.—An unknown hunter shot a buck deer he didn't get. John Lockhart of Meeker, Colo., was skinning a deer he had killed when the hunter spied the animal through the brush and shot it. The bullet also passed through Lockhart's hand.

# CESSATION IN ANTI-JEWISH DRIVE IN REICH REPORTED

PARIS, Nov. 27 (Universal).—Cessation of the anti-Semitic movement in Germany is predicted for the near future by a Berlin correspondent of "Le Capital," usually reliable organ of French business men.

Le Capital's correspondent claims to have learned from a thoroughly reliable source that "Hitler has sent of late envoys to Jewish bankers who have sought refuge abroad, to persuade them to work again for Germany."

# Internal Loan Success Shows Austrian Unity

VIENNA, Nov. 27 (INS).—Chancellor Dollfuss regards the favorable reception of the new internal premium loan, which brought in over 250,000,000 schillings as against an estimated 100,000,000 schillings, as convincing evidence in his program, according to his spokesman, Minister Eduard Ludwig, in a recent interview.

"This not only is an extraordinary financial success," the minister said, "but also a political one, since this loan was combatted by the German and Austrian National Socialists with every device of powerful propaganda, supported by the German broadcasting stations and the press."

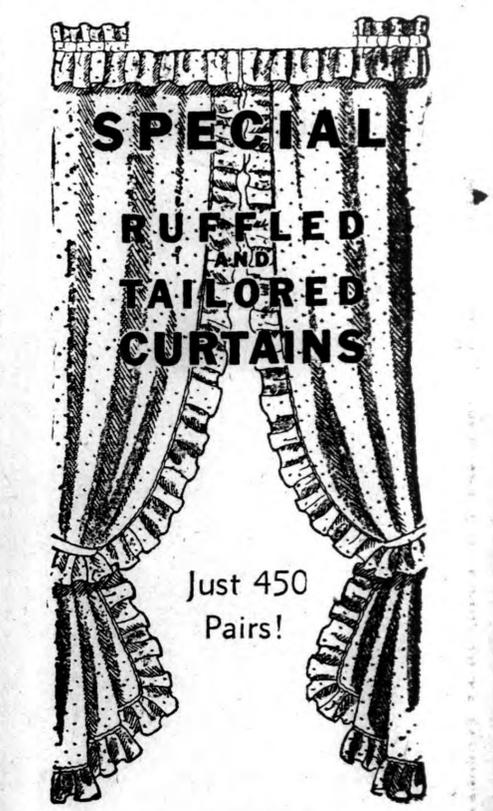
"The Austrian Government will continue fighting National Socialism. But it is a mistake to think that this means an opposition to the Reich as such. It involves only opposition to the idea of Prussian hegemony, to the spirit of Potsdam, which has taken possession of National Socialism and made it subservient to its purposes."

"The Dollfuss Government is fighting a movement which if successful would immediately conjure up the danger of a European war." President Roosevelt is believed here to be partly responsible for the success of the government loan.

# POLICE ARE CHALLENGED BY MARDONI, MAGICIAN

An invitation has been issued to the chief of police or the state troopers to shackle Mardoni, a magician, at the fall festival of the Knights of Columbus Monday night. Mardoni, onetime assistant of the late Harry Houdini, promises to return the handcuffs unharmed and still locked. Madame Mardoni will also appear on the program. There will be dancing after the entertainment.

# WITHERILL'S



**SPECIAL RUFFLED AND TAILORED CURTAINS**

Just 450 Pairs!

**1.29**

Were 1.59 and 2.00

Tuesday and Wednesday Only!

Marquiesette, lace, monk's net and shantung net included. Several patterns, but a limited quantity of each. This is certainly an opportunity to recurtain every window of your home at a tremendous saving.

• WITHERILL'S—Third Floor

# WITHERILL'S



OUR ANNUAL THANKSGIVING SALE OF

# ROASTERS

"Wear-Ever" Aluminum Roasters—3 Sizes Oblong Shaped

8 Lb. Size, Reg. \$4.95 ..... \$2.95  
10 Lb. Size, Reg. \$5.95 ..... \$3.95  
16 Lb. Size, Reg. \$6.50 ..... \$4.95

Round Shape "Wear-Ever" Roasters

5 Lb. Size, Reg. \$2.95 ..... \$2.45  
Oval Shape, Reg. \$4.95 ..... \$3.45

Gray Enamel Oval Roasters

8 Lb. Turkey Size ..... 89c  
10 Lb. Turkey Size ..... 98c

• WITHERILL'S—Basement

# WITHERILL'S



# CHINA on a "Budget Plan"

**PAY ONLY 10% DOWN—AND BALANCE ON EASY TERMS**

- 95-Piece Noritake or Haviland Sets ..... 37.50
- 95-Pc. Noritake Dinner Sets ..... 57.50
- 98-Pc. Noritake Nippon China Set ..... 49.50
- 100-Pc. Dinner Set ..... 16.50
- 53-Pc. Dinner Set Deep Ivory ..... 6.98
- 17-Pc. Sets ..... 1.49
- 94-Pc. Dinner Set ..... 14.98
- 100-Pc. American Dinner Set ..... 12.98
- 42-Pc. Green Service for Six ..... 3.98
- 23-Pc. Tea Sets ..... 2.98

WITHERILL'S—BASEMENT

# NEED \$300 OR LESS?

Will a cash loan help refinance your debts? If so we suggest the Household Loan Plan. \$100, \$200, or more are available to families keeping house, who have sufficient income to make regular monthly repayments over 20 months. Only signatures required are those of husband and wife. Quick, private, courteous, dignified service. Visit, write, or telephone the offices of Household Finance Corporation, located on the Eighth Floor, Loew Building, Salina and Jefferson Sts., Syracuse, N. Y. Phone: 2-6144.

MEMBER N. R. A.